

**TRANSIT SERVICES ADVISORY COMMITTEE**  
**Meeting Summary**  
**Thursday March 10, 2016**

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**PRESENT:** Mike Warner, Charlotte  
Chris Maloy, Charlotte  
Joshua Niday, Charlotte  
D. Evans, Charlotte  
James Hillsman, Charlotte  
Walter Horstman, Matthews  
Kalan Pegg, Van Pool  
Lou Raymond, Cornelius  
Christine Bryant, Huntersville  
Terry Lansdell, Charlotte

**STAFF:** Wanda Braswell, Duretta Weicken, Larry Kopf, Pamela White, Scott Colburn, Allen Smith, Levern McElveen, Dee Pereira, Suzanna Vang

***Meeting Time 4:00-5:30 PM***

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**I. Call to Order and Approval of the February Meeting Summary**

Co-Chairman Mr. Joshua Niday called the meeting to order at 4:00 p.m., The February meeting summary was approved as written.

**II. Public Comment on Agenda Items:**

There was no one from the public at the meeting to give comment.

**III. Information Items:**

**A. Operations Programs                      Larry Kopf, Allen Smith, Levern McElveen**

Ms. Pereira, CATS Chief Financial Officer, Assistant Director of Public Transit, said that Division managers will review their programs with highlights of budgets and costs, as well as performance measures and the policies that drive the services. FY17 would

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normally be a fare increase year. However, in lieu of a straight \$0.20 fare increase, staff will present some options. The budget was presented to MTC members in January; MTC is scheduled to approve the budget by April 30, by which time members will have all the information needed for the decision. The MTC budget is reviewed by numerous stakeholders, including CTAG, TSAC, the public, and the City Manager. The public will be invited to attend next month's meeting to review and comment on proposed fare changes.

Mr. Kopf, CATS Chief Operations Planning Officer and Manager of Bus Operations, said that he would report on the fixed-route bus system, including bus, Special Transportation Service (STS), DSS and Vanpool programs. CATS' ridership grew historically until the economic downturn. Ridership has leveled off since then. Staff has initiatives to address ridership challenges. CATS' has two bus operations facilities, at South Tryon and at North Davidson. Heavy maintenance occurs at South Tryon. The North Davidson facility supports STS and light maintenance. Buses are stored at both locations. Key cost drivers include Personal Services, making up 75 percent of the cost of service, followed by fuel at 10.5 percent, and other items that include equipment, parts and insurance. CATS will operate 845,000 service hours for FY17 and proposes enhanced weekend and night service as well as midday service to Gastonia, funded through a grant obtained by Gastonia. CATS' receives service reimbursements from some towns as well as the Airport and UNC Charlotte. Staff is updating the Countywide Transit Service Plan (CTSP) and is on schedule to bring the plan to MTC next January. Staff is investigating Bus Rapid Transit (BRT) to the northern towns, a Sprinter-type service to South Park and a new transit center at Freedom Mall, now the Valerie C. Woodard Center. Staff is also developing bus/rail integration plans to align bus routes with the BLE. The Bus operating Division (BOD) is CATS' largest division, with over 800 employees. It is the only division in which employees are not City employees, since the City is prohibited by North Carolina law from collective bargaining and BOD positions are unionized. CATS' has a management firm, McDonald Transit that oversees operations. The bus drivers' contract is up on June 30, so union negotiations have started. McDonald Transit handles negotiations. The Team of Professionals (T.O.P.) Program has been recognized by FTA as a best practice. In the past, CATS organized drivers and road supervisors into large teams, but it was difficult to have time for positive interactions in large teams. The T.O.P. program uses smaller groups of about 17 drivers, and includes dispatchers and station managers in team leadership positions to push responsibility for performance to a larger group. Team leaders have fewer drivers to work with, and are able to engage in a positive manner. CATS' has mentoring programs for maintenance talent. CATS' has to compete for maintenance talent, which are skilled positions, with trucking companies and other transit agencies. CATS' has engaged some local high schools and Central Piedmont Community College (CPCC) students to give them experience with diesel mechanics in hopes that some will eventually be recruited to work for CATS. Key indicators include 86 percent on-time performance, which is up from last year when

streetcar construction near the Charlotte Transit Center impeded bus performance uptown. CATS' also performs on-time preventive maintenance 94 percent of the time, exceeding the FTA standard of 80 percent. CATS' carries 24 passengers per service hour at an average per-person cost of \$3.72 before revenue. One program to address ridership issues is Transit Signal Priority. In this system, as a bus approaches the intersection, if the signal perceives that it is behind schedule, the signal may hold the green light for 5-10 seconds longer to allow the bus to clear the intersection. This is in place in a few places now on heavily-traveled routes. The new initiative is to upgrade the overall CDOT system so this can be turned on at any City intersection. Fire and police also receive traffic signal preemption. CATS' is also planning a Smart Card system which can be tapped on the fare box and the fare would be deducted from the card at the tap. We will begin this with a magnetic strip system and phase in Smart Card technology. CATS' is currently meeting with potential vendors for the card. People will eventually be able to load their card remotely and have mobile ticketing from their phone. We think it will be much more reliable than the current system. CATS' is competing more and more with Uber and Lyft, so we plan to adopt some of their practices. CATS' currently runs the North Meck Village Rider Service, giving riders the option of calling a day in advance for deviated service that will pick riders up at their door. It is cumbersome to call for a bus a day in advance, so CATS is developing an app to call a bus in a more timely fashion. We have a Knight Foundation grant for this project. North Meck Village Rider will be the pilot program. CATS' also seeks to coordinate with Uber and Lyft for first- and last-mile connections for bus or vanpool rides. CATS' is also looking at providing information on our website as the Regional Mobility Manager, as the contact website for other regional transit agencies as well as Uber and Lyft. In addition, CATS has applied for a grant for next-generation alternative fuel vehicles with higher energy efficiency. STS is the service for people with disabilities who are not able to ride the fixed-route system. CATS' is required to operate this service within  $\frac{3}{4}$  of a mile of the fixed-route system. As of December, we have seen a 20 percent ridership increase in STS, with so many requests within the ADA area that we are not able to provide much service outside the required area. Coverage of the fixed route bus network is expected to expand with the start of BLE service. As of the beginning of FY16, CATS had 74 active vanpools carrying 220,000 passengers annually. CATS' gives the Department of Social Services (DSS) \$300,000 yearly for service to people with disabilities, primarily for transportation to sheltered workshops. Buses last about 14 years. We replace about 1/14th of the fleet yearly. STS and vanpool vehicles are five-year vehicles, but we keep them for seven to eight years. CATS' also capitalizes engines and transmissions, helping with maintenance costs.

Mr. Horstman asked if the cost per mile was \$4.77 and that averages to about 1.5 people per mile. Mr. Kopf stated yes.

Mr. McElveen, CATS General Manager, Safety & Security, said that CATS has a very strong safety culture. Systems with a strong safety culture tend to have fewer accidents, resulting in reduced organizational costs and injury rates and reflecting good business practices. Mr. McElveen said that FTA announced a new rule, 49CFR Part 673 that requires transit systems receiving Federal financial assistance to incorporate rail and bus safety oversight. CATS' is already working on incorporating those plans. As part of this new regulation, NCDOT as the State Safety Oversight is required to certify that CATS has developed and implemented a Safety Plan. This is a new role for NCDOT. CATS' has 13 employees assigned to transit safety and 75 personnel for transit security, including one CATS employee, four CMPD Transit Police Officers and 70 G4S employees. CATS' is required to spend one percent of Federal Formula funds on Safety and Security items. This is programmed into the five-year Community Investment Plan (CIP) and used for items such as required drills, fencing, camera system replacement, lighting and other areas. CATS' Transit Security Grant Program is used to improve security through a Threat and Vulnerability Assessment. CATS' hopes to implement a BLE Security Manpower Matrix Study. CATS' also has a Community Awareness grant, which was used for the "See Something, Say Something" public awareness campaign. There are about 3,000 cameras throughout the system. Requests to view video have tripled in the past few years. The training class for bus operators is about seven weeks long. CATS' has also trained the G4S officers in sensitivity training. In addition, CATS operates a Roadway Worker Protection Program to train workers near rail lines. Mr. McElveen said that the Office of Safety & Security has an eight-hour safety awareness class for CATS staff, and has trained 76 people so far, including CATS leadership.

Mr. Smith, CATS General Manager, Rail Operations and Facilities, said that rail has experienced difficulties in hiring good people, so they train to develop best practices. CATS worked with CPCC to develop an Apprenticeship Program and will hire an individual as a rail car mechanic when he completes the program. CATS' has been fortunate to hire and train people from the airlines and speedway. The GOAL program with the North American Light Rail Benchmarking Group has been enlightening to see how we match up as a light rail operating system. CATS' is in the middle of the pack, having done well in eight years of operations, but with much room for improvement. Joining with industry partners from the benchmarking group for negotiating leverage, CATS has been able to get better prices on rail parts. CATS has partnered with UNC Charlotte's EPIC – Energy Production and Infrastructure Center to work with engineers in hopes they will help supply the workforce that we need. CATS' preventive maintenance is 99.9 percent on-time and overtime held at 10 percent; with 66,612 rail revenue service hours and on-time performance of 99.74 percent with over one million rail service miles. The cost per revenue mile is \$12.87 and the cost per passenger is \$2.61. In 2017, we will open the BLE, adding 9.2 miles and 11 stations and four park and rides to rail service. CATS will still operate about 20 hours a day with the four-hour rail downtime used for infrastructure maintenance. CityLYNX Gold Line service initiated in

2015; ridership has exceeded all expectations thus far. Mr. Smith reviewed the rail vehicles, Siemens S70 light rail vehicles for light rail and Gomaco replica trolleys. The Gomaco replicas are very difficult to maintain. Currently, rail employs 164 employees; rail projects 245 employees for FY17 as rail service expands with the BLE's opening. CATS' has an aggressive rail maintenance program, performing major vehicle overhauls every five years. Rail equipment, including signal houses and tracks, also needs regular maintenance and repair. Mr. Smith discussed the federal MAP-21 State of Good Repair program, and the steps CATS takes to maintain the standard. Mr. Smith reviewed Facilities Management, including buildings and grounds for bus, rail, streetcar and STS. CATS' maintains amenities such as park and rides, the Charlotte Transportation Center, three Community Transit Centers and over 3,000 bus stops. Facilities Management also maintains all bus shelters and rail platforms.

Mr. Horstman asked if operators and mechanics are city employees. Mr. Allen stated yes all the rail employees are City employees.

Mr. Maloy asked how On-Time performance is measured. Mr. Smith stated end of line to end of line. Mr. Maloy asked if the snow and ice removal is contracted out. Mr. Smith stated some is contracted out and some is done in house by our facilities department. Mr. Maloy asked if the snow removal includes bus stops. Mr. Smith stated snow removal includes all the rail line platforms & stations; all CATS park & ride, all of CATS facilities and the area between the convention center and 7th street along the rail line. Mr. Maloy asked when snow & ice removing is deployed. Mr. Allen stated CATS wants to make sure customers have secure footing as soon as the line starts operations.

## **B. Fare Increase Proposal**

**Olaf Kinard**

Mr. Kinard, CATS Director of Marketing, Communications & Technology, spoke about options to make up the gap of about \$2.8 million in the Operating Budget for FY17. The options include a fare increase; to reduce sales or pass pricing discounts; a combination of a small fare increase and sales pass reductions; or a service reduction. Historically, CATS has increased fares every two years. Mr. Kinard reviewed discount and pass pricing programs in FY15 and the discount amount each option represented in the budget. The total discount amount was about \$4.14 million. The option to reduce discounts would reduce the ETC volume discount to a ten percent discount; eliminate the 15 percent discount for the 10-ride pass and increase the price for the weekly pass. The second option would include a ten cent fare increase as well as the ETC discount reduction and weekly pass price increase. The third option would increase the fare five cents and incorporate the ETC volume reduction, weekly pass price increase and eliminate the ten-ride pass discount. Mr. Kinard reviewed the service hour reduction

needed to balance the operating budget if there were no fare increase or with fare increases at various levels. There will be a public hearing next month on the fare increase options.

Mr. Horstman stated so you get the money ahead of time, invest it so there is a time value of unused ridership. Mr. Kinard stated most of the time we do not get the money ahead of time. The only time we get money ahead of time is in the online sales category. Mr. Horstman said so you don't pay for ten rides when you buy the pass. Mr. Kinard replied most of the time our ETC discounts, none profits and our sales commissions are consignments, we go out one month and assign passes go back in a month assign new passes and collect for the ones sold. So we are thirty days behind and places like Food Lion and Harris Teeter can be forty-five days later until we actually get our revenue.

Mr. Maloy what is the percentage of online sales. Mr. Kinard stated online is about 250-300 thousand for 2015.

Mr. Horstman asked Mr. Kinard to explain the two weekly passes. Mr. Kinard stated there is a weekly pass that can be bought at the transit center or through an outlet and it has a definite beginning and ending date. Then you can go to a ticket vending machine and buy a weekly that is a seven day roll, the minute you buy it activates and seven days from there it ends. CATS went to the seven day rolling ticket so we wouldn't have to throw away dated tickets. So the no barrier light rail came on board we couldn't use the rolling ticket because people could just ride without showing or actually swiping the ticket each time they rode so in order to counter that we went back to the definite weekly. With the ten rides for seven days on both types of seven day passes

Mr. Maloy stated so the idea is instead of selling a ten ride pass you will sell a twelve day pass and not have a weekly. Mr. Kinard right now it costs \$2.20 for one ride if you multiply that times fourteen it's \$30.80, right now it's \$22.00 so a customer gets a weeks' worth of ability to ride for the price of five days assuming you ride twice a day. So the fourteen day says you ride twice a day for seven days and you get the unlimited feature. Mr. Maloy asked what the ETC. is Mr. Kinard stated employee transportation coordinator that is our program where we go out and visit different businesses and get them to allow us to come in and market transportation fares to promote transit in the work place and they sell passes at a dollar amount they reach they get a discount.

The additional \$350,000 necessary to reach the \$2.8 million gap is anticipated to be accomplished through: implementation of new fareboxes in the last half of 2016 and focused enforcement of half fares at the fare box level.

Ms. Bryant asked how many companies are at the 20% discount level. Mr. Kinard stated probably 50%.



Mr. Horstman asked going up .10 cents is for the local fare. Mr. Kinard stated yes. Mr. Horstman stated then you get a lot more dimes in the system and doesn't that add additional cost to handle and processing the coins. Mr. Kinard the handling might be \$40,000 a year.

Mr. Kalan Pegg asked if the \$350,000 additional funds needed to meet the gap is a conservative estimate. Mr. Kinard stated roughly the fare boxes could bring in that amount.

Mr. Maloy asked how many weekly users use the 10 day pass and what the weekly pass price will be. Mr. Kinard stated the weekly pass with no fare increase would go to \$30.80 if a .05 cent increase is applied the weekly goes to \$31.50 and if a .10 cent increase is applied the weekly goes to \$32.20. The .05 cent and .10 cent have the fare increase and the change in the pass.

Mr. Terry Lansdell asked Mr. Kinard to break down the 10 ride local pass for the minority and low income. Mr. Kinard answered the 10 ride local low income equals 1% and minority is 6%.

Mr. Horstman asked if variable pricing could be considered during rush hour. Mr. Kinard CTAG suggested Increase light rail and not local, problem is there are no fare boxes on rail. Once we get to the tap validators on the Gold Lynx line we may be able to do that.

Mr. Pegg wondered why there was no decrease stated for the non-profits. Mr. Kinard stated in the past CATS has suggested decrease for the non- profits but it didn't go over well as the increase would be affecting the indigent and those below poverty level.

Mr. Mike Warner asked what is the adjusted medium income guideline is for the non-profits. Mr. Kinard stated the medium income guideline is the Federal Poverty Level and then the organization must prove they are a non-profit and sign a document every so many years stating they are adhering to that standard.

Mr. Joshua Niday asked if by purchasing passes online if the discount could be kept. Mr. Kinard stated CATS has not discussed that at this time, but there would be added transaction fee costs since people would be using cards and checks. And not everyone has a bank account or access to a computer to make online purchases.

Ms. D Evans reminded the committee that while the paper work does not show Special Transportation Services (STS) that those fares go up as well. And that service is for another group of fixed income customers. Ms. Evans also wanted to see what the increase would be for STS customers.

Mr. Kopf stated he would prepare a fare table of information and send it out to the committee before the next meeting.

Mr. Kinard also explained if there is no fare increase the reduction of service hours would be 31,049 hours.

Mr. Kopf stated there would be a lot more discussion at the next meeting and we will try to answer the questions that have been brought up today. The majority of the next meeting will be to discuss the fare change.

Ms. Evans asked if there were anyway before 2018 the rail fares can be checked to be sure people are paying to ride. Mr. Kinard stated independent analyses have been done on that and the findings were that 6.5 % riders on rail either didn't have a pass or had an invalid pass.

#### **IV. Service Issues**

Mr. Horstman stated at bus stop #25310 the signs were all falling off and unreadable. He also wanted to know if anyone from CATS responded to the email about STS. Mr. Kopf stated he had responded saying there was some confusion about the rides being cancelled and the customer did not like her father riding with other people and that sometimes the service was late. Ms. Evans wondered how the woman got her phone number. Mr. Kopf stated he was not sure how the customer got Ms. Evan's phone number but that the customer should be referred to CATS.

Mr. Maloy stated the buses are too slow in the HOV lanes. Mr. Kopf stated the tires on the buses keep them from going over 55 mph. Mr. Kopf asked Mr. Scott Colburn to check and be sure the tires for the buses going to Davidson and beyond get the new tires first. Mr. Colburn stated to date the new tires have been installed to about 25% of the buses and maintenance reported doing about two buses a week and once the tires are changed then the computers get updated. Mr. Colburn stated it is the intent to put the new tires on the buses that use the HOV lanes to Davidson.

Ms. Evans stated on Springhill Farm road the bus stops on either side have customers standing in the grass close to the road and the grass is not mowed. Mr. Kopf stated CATS will look at the stops and see if anything can be done on that road.

#### **V. Chairman's Report**

Chairman Michael Warner gave report of the February 24th MTC meeting saying there was a lot of discussion on the Budget & Fare Increase along with a review of the 2015 outcome and the 2016 Federal & State Legislative agendas.



## **VI. Manager of Operation Report**

Mr. Larry Kopf CATS Planning and Special Operations Manager reported that the See Something Say Something app is now up and running. The app allows people to report anything that may be unsafe using their phone and that report goes directly to the CATS security folks.

The Meeting Adjourned

***Next TSAC MEETING: THURSDAY APRIL 14, 2016***